

CITY COUNCIL BUDGET MEETING
CITY OF BONITA SPRINGS
WEDNESDAY, AUGUST 2, 2017
4:00 P.M. CITY HALL
9101 BONITA BEACH ROAD
BONITA SPRINGS, FLORIDA 34135
MINUTES

I. CALL TO ORDER.

Mayor Peter Simmons called the budget meeting to order at 4:00 P.M.

II. PLEDGE OF ALLEGIANCE.

At the request of Mayor Simmons, Council Member Steve Slachta led in the Pledge of Allegiance.

III. ROLL CALL.

Mayor Simmons and all Council Members were in attendance.

IV. PUBLIC COMMENT ON AGENDA ITEMS.

[4:01:59 PM](#) Angela Gibson, a volunteer with the TNR program, informed City Council that, to date, 2,000 cats in the City have been fixed since the beginning of the program. They ran out of funding yesterday, and have to wait to October to get more funds to continue the program. She further addressed the program, process, costs, etc.

[4:05:32 PM](#) Kathy McGrath, a member of the Special Events Committee, informed Council of proposed cuts recommended by the Special Events Committee, which include cutting RiverFest, starting the July 4th events at 5:00 P.M., and eliminating the children's area. They are also proposing to cut the headline for Celebrate Bonita by \$30,000 and eliminate all T-Shirt sales for all three (3) events – Celebrate Bonita, July 4 and Riverfest.

[4:08:08 PM](#) Rick Steinmeyer reported that feral cats on Little Hickory Island are gone.

[4:08:41 PM](#) A resident of Bonita Springs addressed the TNR program and spoke in support of the program and the positive effect it has had on her neighborhood. She supports funding for this program.

[4:12:09 PM](#) Debbie Cheeseboro addressed the Spring Creek restoration project, which she heard was supposed to start. She hopes Council continues forward with the Spring Creek Restoration project.

[4:13:16 PM](#) Linda Schwartz was also present to support the Spring Creek restoration project and to thank Council for their support.

[4:13:45 PM](#) Martha Simons addressed the importance of the TNR program and the need for funding. She also supports the Spring Creek restoration project and supports Council Member Forbes Greensheet. She also thanked Mayor Simmons and Council for supporting the Spring Creek project.

[4:18:10 PM](#) Shane Snell was also present to speak to the value of the TNR program and voice his support for funding for the program.

V. APPROVAL OF MINUTES: COUNCIL BUDGET MEETING JULY 7, 2017.

[4:21:23 PM](#) Council Member O'Flinn stated he had a few revisions to be made.

Mayor Simmons motioned to defer to Council's next meeting to have revised; Council Member O'Flinn seconded; and the motion carried unanimously.

VI. PRESENTATION OF REVISIONS TO THE FISCAL YEAR 2017-2018 DRAFT BUDGET.

- A. STAFF PRESENTATION OF REVISIONS TO THE FISCAL YEAR 2017-2018 DRAFT BUDGET.
- B. COUNCIL DISCUSSION AND VOTE ON REVISIONS TO THE FISCAL YEAR 2017-2018 DRAFT BUDGET.
- C. DISCUSSION OF INCREASE IN ELECTRICITY FRANCHISE FEE RATE.

[4:24:10 PM](#) City Manager Carl Schwing addressed revisions made and commended Staff on the great job they did in making the revisions to the budget.

[4:26:23 PM](#) Finance Director Anne Wright next addressed revisions made to the budget. The first budget hearing is scheduled for September 7, 2017 at 5:05 p.m.

She next referred to Greensheet No. 17-08-0296 to address revisions to the budget as directed by City Council at their July 7, 2017 budget meeting, (as reflected on the Greensheet). They included reducing the General fund expenditures to the FY 2016 actual expenditure amount of \$12,189,444 (a \$1.3 million reduction from the July budget); increased certain General Fund expenditures by \$67,500; increased Capital Projects expenditures by \$805,000, and budgeted the new revenues in the 2011 debt service fund to pay the scheduled debt service payment that has been funded through the General Fund. She next referred to page 4 attached to the Greensheet to address the reductions and expenditures on the General Fund, including a reduction in the Personal Services Expenditures of \$124,202; a reduction in the Operating Expenditures of \$925,147, and moved \$245,097 to the gas tax fund. Special Events were reduced by \$51,150, and a reduction in the Capital Outlay Expenditures by \$249,328. Additionally, Staff is proposing to include a \$32,000 repairs and replacement reserve. These reductions brought the General Fund Expenditures down to \$12,189,412, but did increase expenditures of the gas tax fund and the building fee fund by \$373,597.

[4:35:02 PM](#) Director Wright next referred to Greensheet 17-08-0300, the "Budget at a Glance per July 7, 2017 Budget Book" that shows the Net Differences in unassigned fund balance in the last column. The schedule attached to Greensheet No. 17-08-0300 summarizes the impact that the proposed budget changes have on unassigned fund balance.

[4:36:36 PM](#) City Manager Carl Schwing informed City Council that Staff is still trying to identify some additional savings. Page 5 shows the shift from expenditures from the gas tax as a part of these cuts. Also, they are confident that there will be close to \$100,000 in savings on a reorganization that will be proposed. Overall, this would place almost \$100,000 savings into the gas tax.

[4:37:27 PM](#) Council Member Greg DeWitt referred to gas tax reflected as being used for drainage, maintenance and landscape maintenance for Old 41, and asked if they can transfer all the maintenance for all of those and use it out of the gas tax. Director Wright explained there are three sources of revenue that go into the gas tax, and each has different restrictions on how they can be used, which she addressed. They would have to look to see if there's more that can be allocated there. Council Member DeWitt next referred to the \$42,500 that's coming from the building permit fees, and asked if there was a way the City can be reimbursed for other years. Director Wright stated that after the passage of the Council motion, Staff will be looking at a reimbursement for prior years, yes.

[4:39:55 PM](#) Council Member Amy Quaremba expressed her appreciation to Staff on the budget. She feels there

is a need for Council consensus on a strategy for the future. She addressed revenue, and the decrease in impact fees. Overall, she feels they need to discuss what they think about how to address these kinds of revenue issues, and secondly, there is a need to come to a consensus on how they feel about debt. She also feels there is a need to reinforce their thinking about what they think government needs to do to articulate and implement the vision they see in the Comprehensive Plan, and discuss what they think about the tax burden that the city's residents now and in the future, and whether they are comfortable with the idea of increasing taxes to address the loss of revenue, and whether they should subscribe to a "pay as you go" process. She further explained, and commended Communications Director Lora Taylor on the Special Events budget proposal. Overall, they can stop or defer projects, increase taxes, borrow, or devise a way to "pay as we go." She would support a "pay as you go" approach.

[4:45:58 PM](#) Council Member Forbes stated he agreed with Council Member Quaremba has stated. He, does, however have a concern with postponing the purchasing of the vehicles. He would suggest Council reconsider and purchase half of them. Also, he wants to make sure that they have not cut so much that they're not cut to the bone, and lastly, per the information provided to Council by Director Wright relating to data from other cities, he doesn't believe they are nearly in bad a shape. He also believes a large part of the Cities debt will be going away in November 2021. Lastly, he suggested starting the budget process in March next year.

[4:48:20 PM](#) Council Member Mike Gibson stated he had similar concerns about the vehicles. He also questions whether they are cutting too much. With regard to the TNR program, he doesn't think they should cut back, but rather give them a little more. He would like to stay focused on transportation and the US 41 bridge beautification project. He feels they should be pursuing the Quadrant study. Lastly, he referred to the last meeting they had where they moved a lot of small items to urban design, and requested a clarification.

[4:51:40 PM](#) Council Member O'Flinn referred to debt and stated he feels it would be appropriate to get a reading from senior City Management - the City Manager and Assistant City Manager, as to what they think of the debt load in the context of where we are, revenue flow, and what they think are proper comparisons to other towns in Florida.

[4:54:34 PM](#) Mayor Simmons stated he likes the comment about starting the budget process earlier in the year as Council Member Forbes suggested. He thanked all for their work on the budget, including Director Taylor, Staff and Special Events.

[4:56:29 PM](#) Council Member Forbes suggested purchasing at least half the vehicles, or one-third of them this year. Council Member Quaremba stated she feels what needs to be done with respect to the vehicles is to have some strategic idea of how to maintain a fleet and rotate them – a plan. She suggested whoever addresses the vehicles on Staff to come back with a recommendation and have a plan that they can execute. Council Member DeWitt stated that the information provided addresses the state of the vehicles, which lists 6 vehicles in poor condition. City Manager Schwing explained that the process is to have vehicles that are functional, efficient, and reliable so that Staff can do the job they need to do to serve the residents. Discussion followed on the need for a process, entering in a state contract, and purchasing vehicles now, and perhaps leasing vehicles. A total of \$32,000 has been provided for 9 vehicle repairs and maintenance reserve. Director Wright responded to Mayor Simmons suggestion to lease vehicles, and explained that she did get some information recently, and that is something that can be considered with a full analysis to see if it would be right for the City.

[5:15:19 PM](#) Council Member O'Flinn motioned to revise the \$32,000 reflected under "Vehicle Repairs and Replacement Reserve" to \$65,000 and to develop a process; Council Member Quaremba seconded motion; and the motion carried unanimously.

[5:17:10 PM](#) Addressing the TNR program, Angela Gibson explained that Dr. Kitchens is averaging approximately \$1,300 a month, and would need \$2,600 to continue this year. She would think they would do as many next year as they did this year, and then it may taper down after that.

[5:21:16 PM](#) Per the suggestion of City Manager Schwing, Council Member Forbes motioned to add \$2,600 to this year's budget, and to budget \$16,000 for next year for the TNR program; Council Member Quaremba seconded.

Council Member Forbes amended his motion to \$2,600 for this year and \$18,000 for next year; Council Member DeWitt seconded; and the motion carried unanimously.

PUBLIC COMMENT:

[5:25:40 PM](#) Martha Simons requested more funding for the Kentucky Street Park.

[5:25:59 PM](#) Mr. Snell thanked Council for the TNR funding to allow the program to continue.

The budget meeting adjourned at 5:26 P.M.

The regular meeting adjourned at 7:38 P.M., and the budget meeting reconvened at 7:48 P.M.

[7:48:30 pm](#) Council Member O'Flinn motioned the Finding following: Building permits have utility location requirements for new construction, remodeling, fences, pool, excavation and demolition permits, so they are reasonable indirect costs from issuing a building permit. Thus, I make the motion finding that the line items relating to utility location services be moved for payment from the Building Permit Fee Fund, because the reason for the utility location services is generated by a building permit, therefore, finding that the costs for utility location services are reasonable indirect costs, using recognized management, accounting, and oversight practices that these are appropriate, approving the revised page 77 and 80 which were attached to Greensheet 17-08-0301, which include the proposed budgeted amounts in the Sunshine State One and Central Locating Services accounts; Council Member Quaremba seconded; and the motion carried unanimously.

[7:52:02 pm](#) Mayor Simmons motioned to revise the \$450,000 shown for the monument along I-75 to \$240,000 (to include \$60,000 from last year's budget for a total of \$300,000); Council Member Gibson seconded; and the motion carried unanimously.

[7:57:26 pm](#) Mayor Simmons next motioned \$40,000 for the flag on I-75; Council Member Slachta seconded; and the motion carried unanimously. Staff to work with Council Member Slachta on the purchase of the flag from the American Legion.

[7:59:49 pm](#) Mayor Simmons next addressed the bridge on U.S. 41 which reflected \$250,000. Discussion followed. Mayor Simmons motioned to revise the U.S. 41 Bridge to \$100,000 (from the \$250,000 reflected); Council Member DeWitt seconded; and the motion carried unanimously.

Mayor Simmons referred next to page 5 of the minutes addressing urban design. Council Member Forbes motioned that they include \$65,000 to develop a vegetative buffer with a berm wall west of BSU, and to work with Alta; Council Member DeWitt seconded. He explained that this was placed on hold for now, but now know what project will be concentrated on, which will probably be from the middle school out to U.S. 41. Public Works Director Matt Feeney explained that right now west Terry Street is what they solicited a proposal for from Alta Design. He would suggest requesting a conceptual design in that area which would allow them to understand where they could place the vegetative buffer. He further explained, stating that they can tell the designer that they have \$65,000 to work with and ask them what can be done for that amount. Council Member Quaremba suggested dropping this for now, and get a conceptual idea and they can always bring it back. The motion carried unanimously.

[8:14:22 pm](#) Council Member Forbes (referring to Greensheet No. 17-08-0299) addressed item 1., and said that can probably be put at \$100,000 for the Impact Fee Study; Council Member DeWitt seconded; and the motion carried unanimously. In response to City Manager Schwing's question as to the number, Council responded that the number in the Greensheet was \$125,000.

[8:20:01 pm](#) Council Member Forbes next requested adding \$10,000 to the street lighting program so they can do Pennsylvania. Council Member O'Flinn motioned to approve; Mayor Simmons seconded; and the motion carried unanimously.

[8:24:02 pm](#) Council Member Forbes next requested \$250-500 to the Veteran's Committee for the purchase of flags and grave markers for all veteran's graves. Council Member O'Flinn entered the motion approving the request. Discussion followed. Communications Director Taylor explained this is not something the committee has discussed at length, but is something they can discuss and talk with the American Legion and other partners. Council Member Slachta responded, explaining they are going to do something, but suggested keeping it out of the budget. Consensus to keep out of the budget.

[8:26:33 pm](#) Council Member Forbes stated there is not a jersey barrier on the bridge that is on Imperial Parkway which he feels may have been an oversight. He suggested they include some money in the budget to get it designed. He would suggest \$20,000 to \$25,000 to allow Director Feeney to work with design people. Director Feeney addressed City Council. Council Member Quaremba stated before they spend money she would like it to be investigated and to get more information. Council Member Quaremba suggesting giving direction to Staff to further check out and bring back information. Director Feeney stated he would like to reach out to the engineer who designed the bridge and have them provide an explanation as to what standards they used to design it, and why they felt it was safe. Council Member DeWitt suggested he also find out what the City's liability is to keep up with the design specs.

[8:33:39 PM](#) Council Member Mike Gibson addressed Kentucky Park and requested \$5,000 for basic maintenance. The main concern is to clean and open it up. Council Member O'Flinn explained that the whole budget is \$2 million for parks, as each park is separate. City Manager Schwing responded. Council Member O'Flinn motioned to approve; Mayor Simmons seconded (the \$5,000 for Kentucky Park); and the motion carried unanimously.

[8:26:22 pm](#) Council Member Gibson next addressed the urban design, and stated they moved a lot of things out of line items in creating a bigger fund that could be moved around. However, he feels when things are line items they can keep better track of them. He suggested keeping a list of projects they are trying to do so they do lose sight of things.

[8:37:26 PM](#) Council Member Quaremba next suggested they remove the skate park (page 8, line 56), which she stated is to be very small. She feels this is a waste of money. Council Member O'Flinn referred to the last meeting they had, at which time they said they were going to ask Staff come back to Council. Mayor Simmons stated there is very little for children and kids to do in the City. Council Member Quaremba suggested including \$100,000 for a project they can really use. Council Member Gibson referred to the children who are skating at Depot Park and in that area that is not supervised. It was why he wasn't really happy it was still going to be at the recreation center was because of that appearance of supervision. Council Member O'Flinn suggested this as a placeholder and see what Staff comes back with. Council Member Gibson stated maybe it will be something they can eventually add onto to make it bigger. City Manager Schwing stated it would be designed and would be located within that 20,000 square feet to allow for expansion. Council Member Quaremba stated she would rather put in a certain amount of money, even if they use the same amount, but have Staff come back with a project that is suitable for children of a certain age – the age group they are trying to address. Council Member Quaremba motioned to include \$100,000 and get guidance from Staff. Director Wright explained that the \$175,000 is a carryover. Council Member DeWitt stated this is a good use of the money for down the road. The motion failed for the lack of a second.

[8:46:32 pm](#) Council Member Quaremba referred to the City Council budget, which they were to try to reduce. Council Member O'Flinn stated he would address it as one of his items.

[8:47:54 PM](#) Council Member DeWitt stated his only concern entails two things – to make sure our infrastructure is shored up, and second, the special events committee. He is not comfortable cutting the budget for special events. He addressed concerns he has with partnership, etc. He would like to keep the special events budget relatively the same, and have Communications Director Taylor and the Special Events Committee solicit these types of partnerships and they can always save money and carry it forward. Mayor Simmons responded. He would like to allocate "X" from the city budget, and he would also like to see private investment in these events. Director Taylor

explained that when they were breaking down each event they were showing cash donations (monetary sponsorships) and in-kind, which she addressed. A lengthy discussion followed. Mayor Simmons referred to page 4, item 17, which reflects a reduction of \$51,150. Director Taylor explained they will work to get sponsorships, but can't guarantee sponsorships outside what has been done up to this point. Council Member DeWitt further addressed.

9:01:02 PM Council Member DeWitt motioned to put \$25,000 back in the special events committee budget; Council Member Slachta seconded. Discussion followed. The motion failed 4-3 (Mayor Simmons and Council Member Forbes, Quaremba and O'Flinn opposed)

9:11:23 PM Council Member O'Flinn addressed City property on Paradise Road and the need to put in a stormwater conveyance at that location that would consist of approximately 375 feet of piping, at a cost of approximately \$30,000. He would suggest \$20,000 or \$25,000 considering all the hard work they would need to do. Council Member O'Flinn motioned to include \$25,000; Council Member Forbes seconded. Director Feeney addressed the project, which would in turn pass onto the community to effect the repair. He explained there are issues with their own internal drainage, and modifying the drainage structure would entail a pipe along the western edge of Paradise Road - from the entrance of the Fairwinds property south to the end of their property line. This would convey their water as well as the City's water that's been kind of "stacked up" north of that entrance in the right-of-way during heavy rain. City Manager Schwing explained that the City would be a contributor to the project, but it would be managed by the community who would make up the difference in some manner. The motion carried unanimously. In response to City Manager Schwing as to which year's budget to include the \$25,000, Council Member O'Flinn suggested it be flexible so they can move on this.

9:15:29 PM Council Member O'Flinn next addressed the City Council budget on pages 4 and 5 which reflects a reduction of \$59,000. He referred to an email from Assistant City Manager Arleen Hunter that laid out for downtown economic development and economic development - various projects that are already in the pipeline, all of which are pre-existing commitments as shown. He further explained, noting that this entails more savings than meets the eye. Secondly, on the EDC, Staff has suggested \$10,000, but he would like to stay with \$25,000. Council Member O'Flinn motioned for \$25,000 to the EDC; Council Member Slachta seconded; and the motion carried unanimously.

9:19:30 PM Council Member O'Flinn next motioned for City Council Members who participate make a 15% contribution toward the premium; Council Member DeWitt seconded for discussion. Discussion followed on insurance.

9:26:41 PM Council Member O'Flinn stated his next item was an allocation. He explained that he and Nick Batos met with John Yarborough, Lee County Parks Commissioner, about the SunTrail, and Mr. Yarborough recommended that they each place \$50,000 in the budget for that - the CIP, and take it out of whatever they have for bikes CIP. Council Member O'Flinn motioned his request as stated; Mayor Simmons seconded; and the motion carried unanimously.

9:28:20 PM Council Member Slachta referred to page 6 and the \$2,500 for the Wounded Warriors Softball game. His request is that every year this be a line item budget, starting 2018 to 2019. He informed Council that Council Member O'Flinn, in honor of his father, is going to give them \$2,500 for this year. Also, he has not heard anything about the BBIA, and so he would like the \$13,000 to be turned back to the City. Council Member Slachta motioned to approve the request relating to the \$2,500; Mayor Simmons seconded; and the motion carried unanimously.

9:28:33 PM Council Member Slachta motioned that the \$13,000 reflected for the BBIA to be given back to the City; Council Member O'Flinn seconded; and the motion carried unanimously.

9:30:38 PM Council Member DeWitt referred to page 4, Operations, under City Council, titled "books, publications and memberships" for \$28,000. Director Wright clarified that this is a City membership. Assistant City Manager Hunter explained that this included the RPC, MPO, Southwest Florida League of Cities, U.S. Conference of Mayors, Florida League of Mayors, and the FLC. She further explained.

[9:31:42 PM](#) Council Member DeWitt next referred to the \$13,000 for the Health Savings Account. City Attorney Vance explained that she has done research and provided a memorandum to Staff. They do need to create a policy where it would be a taxable payment in lieu.

[9:32:54 PM](#) Council Member Forbes referred to the Bonita Beach Road Visioning and stated that before next fiscal year, they may need to put in an additional \$100,000 to cover additional tasks. He also stated that to get the bids in on Spring Creek Restoration, it could be a little higher and they can add funds to it.

[9:35:23 PM](#) At the request of Council Member O'Flinn, City Manager Schwing addressed Lee Tran reflected on page 5, line 3431. He referred to lines 3431, 3470 and 3496 on that same page, and stated those are the ones that they are reducing the general fund by those amounts - \$150,000, \$78,000 and \$17,000, but gas tax is paying for them instead. The bottom line is how do you not use the gas tax. The question is whether Council wants to continue to fund Lee Tran. Discussion ensued. Council Member O'Flinn stated that is part of a bigger discussion with the County, and is a county responsibility. He suggested City Manager Schwing get more facts about what other municipalities do or don't pay. He would not remove the \$150,097 shown now, but to have the City Manager look into the possibility of regularizing our situation with the other municipalities that don't pay Lee County.

[9:44:14 PM](#) City Manager Schwing next referred to City Council's budget for travel and per diem, shown as item 27 at \$11,635 and requested Council input. As proposed every Council Member would be allocated \$1,500 per year for travel. Council Member Quaremba feels the Mayor should have a larger travel budget. Council Member O'Flinn agreed that the Mayor needs more funds and motioned \$6,000 for the Mayor and \$1,500 for Council Members, for a total of \$15,000, to be flexible among Council Members; Council Member Forbes seconded; and the motion passed 6-1 (Council Member Quaremba opposed)

[9:56:05 PM](#) Director Wright readdressed the discussion on insurance. She explained that 15% of the cost of individual coverage would be \$1,051 per person per year. Council Member Gibson stated his concern regards the people that you attract to be candidates, as this is just one of the perks, along with the little pay they would receive. He further explained, after which Council Member O'Flinn withdrew his motion.

[10:00:10 PM](#) Director Wright, in response to Mayor Simmons, explained that the original 1.5% of electricity franchise fee for a full year would have generated \$900,000, and the 1% increase for a full year would generate \$600,000, and if it was to be increased by an additional one-half percent it would generate the additional \$300,000 to get to the \$900,000. Mayor Simmons motioned to not pick up the additional one-half percent; Council Member O'Flinn seconded. Council Member O'Flinn stated he would prefer to look at the budget in September first. Mayor Simmons agreed and withdrew his motion.

[10:14:56 PM](#) Director Wright addressed items from the July 7, 2017 meeting identified in the packet that she would request votes. Page 7 and 8, in the CIP, the all the numbers highlighted in yellow are items addressed at that meeting – the contingency, the reduction contingency of \$100,000 the increase in Urban Design of \$225,000, and moving \$50,000 from the Parks Master Plan up to the Urban Design, which is the carryover column, plus what's in the 2018 column. Council Member O'Flinn motioned to approve everything depicted in yellow; Council Member Forbes seconded; and the motion carried unanimously.

[10:17:04 PM](#) Director Wright next referred to the last page of the Greensheet that reflects Staff recommendations on Greensheet (No. 17-08-0296) that relate to pages 2, 3, 4, 5 and 6. Council Member O'Flinn motioned to approve; Council Member Forbes seconded; and the motion carried unanimously.

[10:18:20 PM](#) Director Wright stated there were two exotic removal costs within the parks department – Oak Creek Park and Windsor Park, that were actually budgeted as maintenance, and not as exotic removal. Staff feels it's important that they be shown in the budget as exotic removal. Council Member O'Flinn motioned to have them shown in the budget as exotic removal; Council Member DeWitt seconded; and the motion carried unanimously.

VII. PUBLIC COMMENT.

10:19:47 PM Martha Simons commented on Lee Tran and Special Events.

10:23:03 PM Rick Steinmeyer thanked Council for removing the \$13,000 from the BBIA.

VIII. ADJOURNMENT.

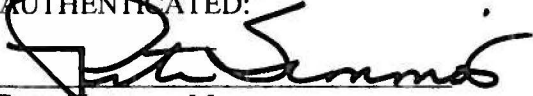
There being no further items to discuss the meeting adjourned at 10:25 P.M.

Respectfully submitted,


Debra Filipek, City Clerk

APPROVED:
BONITA SPRINGS CITY COUNCIL:

Date: 8/21/17

AUTHENTICATED:

Peter Simmons, Mayor